



## Flood Insurance Requirements and Options

When the new maps are adopted, flood insurance requirements will change. However, options exist that will allow property owners to save money while still protecting their property.

IF MAPS SHOW...	THESE REQUIREMENTS, OPTIONS AND SAVINGS APPLY
<b>Change from low or moderate flood risk to high risk</b>	<p><b>Flood insurance is mandatory.</b> Flood insurance will be federally required for most mortgage holders.* Insurance costs may rise to reflect the true (high) risk.</p> <p><b>Grandfathering offers savings.</b> The National Flood Insurance Program (NFIP) has “grandfathering” rules to recognize policyholders who have built in compliance with the flood map or who maintain continuous coverage. An insurance agent can provide more details on how to save.</p>
<b>Change from high flood risk to low or moderate risk</b>	<p><b>Flood insurance is optional, but recommended. The risk has only been reduced, not removed.</b> Flood insurance can still be obtained, at lower rates. Twenty-25 percent of all flood insurance claims come from low- or moderate-risk areas.</p> <p><b>Conversion offers savings.</b> An existing policy can be converted to a lower-cost Preferred Risk Policy.</p>
<b>No change in risk level</b>	<p><b>No change in insurance rates.</b> Property owners should talk to their insurance agent to learn their specific risk and take steps to protect their property and assets.</p>

## Flood Risks and Flood Zones

Flood maps refer to areas of high, medium or low risk as “flood hazard zones” and the zones of highest risk as “Special Flood Hazard Areas.”

RISK LEVEL	FLOOD HAZARD ZONE
<b>High Flood Risk</b>	<p><b>AE, A AH or AO Zone.</b> These properties have a 1 percent chance of flooding in any year — and a 26 percent chance of flooding over the life of a 30-year mortgage.</p> <p><b>VE or V Zone.</b> These properties have a 1 percent chance of flooding in any year and also face hazards associated with coastal storm waves.</p> <p><b>Insurance note:</b> High-risk areas are called Special Flood Hazard Areas, and flood insurance is mandatory for most mortgage holders.*</p>
<b>Low or Moderate Flood Risk</b>	<p><b>Shaded X Zone.</b> These properties are outside the high-risk zones. The risk is reduced but not removed.</p> <p><b>X Zone.</b> These properties are in an area of overall lower risk.</p> <p><b>Insurance note:</b> Lower-cost preferred rate flood insurance policies (known as Preferred Risk Policies) are often an option in these areas.</p>

\* Required for loans provided by federally regulated lenders as well as Government Sponsored Enterprises such as Freddie Mac and Fannie Mae.

**FOR MORE INFORMATION** Visit <http://www.hernandocounty.us/FloodMap/> to more about the county’s map modernization effort. Visit [www.FloodSmart.gov](http://www.FloodSmart.gov) for more information about how to protect against flooding and the steps local residents may need to take to ensure that they have proper insurance coverage to protect their investment.